## The Environmental Case for Green Tier

Moving from Compliance to Performance

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Major regulatory programs have done a great deal to protect Wisconsin's air, land and water in the past 30 years. Since their inception, these regulatory programs have focused primarily on compliance and enforcement. Through the 1970s and 1980s, this focus was necessary to halt severe environmental abuses. Now, our environmental challenges are different. Our regulatory focus on compliance may be limiting the capacity of regulators and the regulated community to pursue innovative approaches to environmental management.

Under our traditional environmental regulatory system, we have utilized a "one-size-fits-all" approach to environmental protection. Command-and-control regulations have prescribed specific technologies in an attempt to control environmental behaviors. Lacking flexibility to try new environmental approaches, companies have adhered to inefficient practices that often fail to yield meaningful environmental results.

Competitive pressures on Wisconsin's business community, combined with state budget deficits, compel us to seek a new model that can unite competitive pressure with environmental goals to achieve superior environmental performance. Green Tier offers the opportunity to enhance the protection and management of our natural resources, as well as our economic and institutional assets.

## **Changes in Business Practice**

Measurable Improvement in Environmental Performance

Using Green Tier, Wisconsin's business community can promote and apply new initiatives to improve environmental performance beyond current standards. These initiatives may include application of new pollution control technologies, production process changes, or introduction of sustainability strategies that yield both economic and environmental benefits. It is important to note that Green Tier participants commit to measurable environmental improvements. This is a substantial improvement over the current "compliance monoculture" that persuades companies to meet only minimum performance requirements.

Higher Assurance of Compliance

Participating companies conduct annual assessments of their environmental performance, including their regulatory compliance status. Results of these assessments are provided to the Department of Natural Resources (DNR). These assessments reduce the potential for noncompliance, help facilities move above the compliance threshold, and improve overall environmental performance.

More Robust Environmental Management
Participants in Green Tier implement formal environmental
management systems (EMSs). An EMS makes the
environment a formal part of business decision making,
challenging a company to move from continual compliance to
continual improvement. An EMS requires proactive planning
by company managers, attention to the environment by all
employees, and examination of business processes that pose
a potentially significant environmental impact (even if the
processes are not regulated). Using EMSs, Green Tier
participants are likely to identify and minimize potential
environmental risks not addressed by our existing
compliance-based programs.

Improvements Across Business Sectors
The Green Tier program allows groups of businesses or public entities to join together in establishing charters (i.e., environmental agreements) and shared environmental performance goals. Green Tier Charters leverage the efforts of the DNR to encourage measurable environmental improvements at multiple facilities simultaneously.

## **Redirection of Agency Resources**

Focusing on Facilities that Need Assistance
Business participation in Green Tier reduces the
administrative burden placed on the DNR. This can allow
DNR staff to focus on facilities that need help to achieve or
maintain compliance with environmental regulations. The
DNR can focus efforts where expertise is most needed.

## **Increased Access to Information**

Annual Reporting

Participants in the Green Tier program report their environmental performance annually. Annual reports document the company's regulatory compliance issues, stakeholder involvement activities, and progress in meeting measurable performance improvements. EMS implementation at participating facilities drives continual performance improvements. Over time, these improvements are expected to exceed the reductions in hazardous air pollutants, non-renewable energy consumption and hazardous waste generation achieved through pre-Green Tier pilot programs.

Providing Information, Seeking Feedback
Communities, neighbors, and other interested parties have increased access to information about facilities enrolled in the Green Tier program, and they have greater opportunities to share comments and concerns. Participating facilities commit to working closer with their local communities and those potentially affected by their operations.